

Date of Issuance August 30, 2016

Decision 16-08-031

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Lorrie's Travel and Tours, Inc. (PSC1003) to Expand its Services Area to include on-call, door-to-door Shuttle Service between points in the Counties of Alameda, Contra Costa, Santa Clara and San Mateo Counties, and the San Francisco International Airport; and to establish a Zone of Rate Freedom.

Application 16-04-019  
(Filed April 22, 2016)

**EXECUTIVE DIRECTOR ORDER GRANTING  
APPLICATION**

**Summary**

This decision grants the application of Lorrie's Travel and Tours, Inc. (PSC 1003), a California Corporation, pursuant to Pub. Util. Code §§ 1031 et seq., to expand its Certificate of Public Convenience and Necessity (CPC&N) to operate as a Passenger Stage Corporation, as defined in Pub. Util. Code § 226, and to establish a Zone of Rate Freedom, pursuant to Pub. Util. Code § 454.2. This application was filed pursuant to the procedures adopted in Decision (D.)15-05-029.

**Discussion**

Lorrie's Travel and Tours, Inc. (PSC 1003) (Applicant), provides an on-call Passenger Stage Corporation (PSC) service under a certificate granted by Decisions (D.) 86121, D.98-10-049, D.84-07-64, D. 84-03-109, and D.06-04-059. The certificate authorizes the transportation of passengers and their baggage between points in the City and County of San Francisco, and the San Francisco International (SFO), and the Oakland International (OAK) Airports. The

application requests authority to expand the on-call PSC authority to include certain points in the Counties of Alameda, Contra Costa, Santa Clara and San Mateo and the SFO Airport. The application also proposed new fares for the expanded service, as well as authority to revise its Zone of Rate Freedom (ZORF).

Applicant states its proposed expanded service will make available transportation that will meet the public's need and convenience. It says it has provided shared-ride on-call service for over 25 years. A California Environmental Quality Act review is not required because approval of the application will not have a significant adverse effect on the environment.

Attached to the application as Exhibit E is Applicant's unaudited balance sheet as of December 31, 2015, which discloses assets of \$621,258, liabilities of \$181,265, and net worth of \$439,993.

The proposed fares, listed in Exhibit D of the application, range between \$17 (San Francisco to SFO) and \$120 (Gilroy to SFO). Applicant seeks to establish a ZORF of \$10 above and below fares which are \$30 or less, \$20 above and below fares that are between \$31 and \$50, \$25 above and below fares that are between \$51 and \$70, \$30 above and below fares that are between \$71 and \$90, and \$35 above and below fares that are over \$90; however, Ordering Paragraph (O.P.) 11 of D.15-05-029 limits fare adjustments to no more than 15 percent of the initial fares. In the case of the \$17 fare, \$10 would be 58.8%. Hence we will limit the ZORF to 15%. Applicant will compete with other PSCs, taxicabs, charter sedans and limousines, public transit, and private automobiles in their operations. This highly competitive environment should result in Applicant pricing its services at a reasonable level.

Notice of filing of the application appeared in the Commission's Daily Calendar on April 25, 2016. Applicant served a notice of the application to the affected airports, cities, and counties, and transit authorities.

In Resolution ALJ 176-3377, dated May 12, 2016, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protest has been received. Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3377. Pursuant to the authority granted to the Executive Director by D.15-05-029, the applicant should be granted a CPC&N to provide the service.

### **Waiver of Comment Period**

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Section 311(g)(2) of the Public Utilities Code and Rule 14.6(c)(2) of the Commission's Rules of Practice and Procedure, the otherwise applicable 30-day period for public review and comment is waived.

### **Safety Considerations**

In order to be authorized to commence operations as a PSC, the Applicant must comply with the following requirements in order to protect public safety: Proof of insurance pursuant to General Order Series 101, compliance with the controlled substance and alcohol testing program pursuant to Pub. Util. Code §1032.1 and General Order Series 158, and enrollment in the pull notice system as required by Section 1808.1 of the Vehicle Code.

### **Assignment of Proceeding**

Nick Zanjani is the assigned Examiner in this proceeding.

### **Findings of Fact**

1. Applicant operates as an on-call PSC pursuant to Decisions (D.) 86121, D.98-10-049, D.84-07-64, D. 84-03-109, and D.06-04-059 between certain points in City and County of San Francisco, and the San Francisco International (SFO), and the Oakland International (OAK) Airports.

2. The application requests authority to expand Applicant's PSC certificate to include service between certain points in the Counties of Alameda, Contra Costa, Santa Clara and San Mateo and the SFO Airport.

3. Applicant requests to establish a ZORF of \$10 above and below fares which are \$30 or less, \$20 above and below fares that are between \$31 and \$50, \$25 above and below fares that are between \$51 and \$70, \$30 above and below fares that are between \$71 and \$90, and \$35 above and below fares that are over \$90. O.P. 11 of D.15-05-029 limits the ZORF to 15% of the initial fare; a ZORF of 15%, is reasonable .

4. Applicant will compete with other PSCs, taxicabs, charter sedans and limousines, public transit, and private automobiles in their operations.

5. Applicant served a notice of the application to the affected airports, cities, counties, and transit authorities.

6. No protest to the application has been filed.

7. The application complied with the PSC certification procedures adopted in D.15-05-029.

### **Conclusions of Law**

1. Public convenience and necessity has been demonstrated and the application should be granted.

2. The Executive Director is authorized to sign, on behalf of the Commission, orders granting PSC certification process adopted in D.15-05-209.

3. The ZORF of 15% should be granted because the ZORF is fair and reasonable.

4. Before Applicant changes any fares under the authorized ZORF, Applicant should be required to give this Commission at least ten days' notice. The tariff should show the high and low ends of the ZORF and the then-currently effective fare between each pair of service points.

5. A public hearing is not necessary.

6. A California Environmental Quality Act review is not required for this decision because it can be seen with certainty that there is no possibility that the activity in question may have a significant adverse effect on the environment.

7. Because the matter is uncontested, the decision should be effective on the date it is signed.

## **O R D E R**

### **IT IS ORDERED** that:

1. The Certificate of Public Convenience and Necessity granted by Decisions D.06-04-059 to Lorrie's Travel and Tours, Inc. (PSC 1003), a California corporation, authorizing it to operate as a Passenger Stage Corporation (PSC), as defined in Pub. Util. Code § 226, to transport passengers and their baggage between the points and over the routes set forth in Appendix PSC-1003 of Decision 06-04-059, is revised by replacing Third Revised Page 5 with Fourth Revised Page 5, below, subject to the conditions contained in the following Ordering Paragraphs.

2. Lorrie's Travel and Tours, Inc. (PSC 1003), shall:

- a. File a written acceptance of the revised certificate within 30 days after this decision is effective.

- b. Establish the authorized expanded service and file tariffs and timetables within 120 days after this decision is effective.
- c. File tariffs on or after the effective date of this decision. The tariff shall become effective ten days or more after the effective date of this decision, provided that the Commission and the public are given not less than ten days' notice.
- d. Comply with General Orders Series 101 and 158, and the California Highway Patrol (CHP) safety rules.
- e. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and General Order Series 158.
- f. Remit to the Commission the Transportation Reimbursement Fee required by Pub. Util. Code § 423 when notified by mail to do so. Failure to comply with this filing will result in suspension and/or revocation of authority.
- g. Comply with Pub. Util. Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.
- h. Enroll all drivers in the Pull Notice System as required by Section 1808.1 of the Vehicle Code.

3. Lorrie's Travel and Tours, Inc. (PSC 1003), is authorized to establish a Zone of Rate Freedom for its current and expanded services of 15% above and below the proposed medium fare for any route.

4. Lorrie's Travel and Tours, Inc. (PSC 1003), shall file a Zone of Rate Freedom (ZORF) tariff with the Commission and the public in accordance with the application at least ten days before the effective date of the tariff. The ZORF shall expire unless exercised within 120 days after the effective date of this decision.

5. Lorrie's Travel and Tours, Inc. (PSC 1003), may make changes within the Zone of Rate Freedom by filing amended tariffs on not less than ten days' notice to the Commission and to the public. The tariff shall include the authorized maximum and minimum fares and the fare to be charged between each pair of service points.

6. In addition to posting and filing tariffs, Lorrie's Travel and Tours, Inc. (PSC 1003), shall post notices explaining fare changes in their terminals and passenger-carrying vehicles. Such notices shall be posted at least ten days before the effective date of the fare changes and shall remain posted for at least 30 days.

7. Lorrie's Travel and Tours, Inc. (PSC 1003) (Applicant), is authorized to begin operating the expanded service on the date that the Consumer Protection and Enforcement Division mails a notice to Applicant that its evidence of insurance and other documents required by Ordering Paragraph 2 have been filed with the Commission and that the California Highway Patrol has approved the use of Applicant's vehicles for service.

8. Before beginning service to any Lorrie's Travel and Tours, Inc. (PSC 1003) (Applicant), shall notify the airport's governing body. Applicant shall not operate into or on airport property unless such operations are authorized by the airports' governing body.

9. The revised Certificate of Public Convenience and Necessity to operate as Passenger Stage Corporation (PSC-1003), granted herein, expires unless exercised within 120 days after the effective date of this decision.

10. The Application is granted as set forth above.

11. This proceeding is closed.

This decision is effective today.

Dated August 29, 2016, at San Francisco, California

/s/ TIMOTHY J. SULLIVAN

Timothy J. Sullivan  
Executive Director



\* SECTION II. SERVICE AREA.

- A. Points and places in the Counties of San Francisco, Alameda, San Mateo, Contra Costa, Santa Clara
- B. San Francisco International Airport (SFO)  
Oakland International Airport (OAK)

SECTION III. ROUTE DESCRIPTIONS.

Commencing from any point described in Section IIA, then over the most convenient streets and highways to the airport described in Section IIB.